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APA - Apache Corp Annual Shareholders Meeting

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Ian Close

John E. Lowe *Apache Corporation - Non-Executive Chairman*

John J. Christmann *Apache Corporation - CEO, President and Director*

P. Anthony Lannie *Apache Corporation - EVP and General Counsel*

PRESENTATION

John E. Lowe - *Apache Corporation - Non-Executive Chairman*

Good morning, everyone. It's 10:00, so it's time for the Annual Shareholders' Meeting of Apache Corporation to begin. So the meeting is now called to order.

My name is John Lowe. I'm very honored to be the Chairman of Apache's Board of Directors. Before I introduce the members of our board, I'd like to thank everyone for attending, either in person or listening in. I'd also like to thank the Board of Directors for their service and commitment. And mostly on behalf of the board, I'd like to thank and applaud the employees of Apache for their dedication, innovation and many accomplishments this past year. It really was a transformational year, and we thank you for that.

So the nominees for election to the Board of Directors today are, and I just ask them to stand as I call their name: Annell Bay; your CEO, John Christmann; Chansoo Joung; Bill Montgomery; Amy Nelson; Dan Rabun; and Peter Ragauss. Continuing to serve as directors are: Chip Lawrence; Rod Patton; Chuck Pitman; and myself.

So at this point, I'm going to turn over the formal meeting to John Christmann, Apache's Chief Executive Officer and President. John?

John J. Christmann - *Apache Corporation - CEO, President and Director*

Thanks, John. Officers seated on stage today includes Steve Riney, Executive Vice President and Chief Financial Officer; Anthony Lannie, our Executive President and General Counsel; and Raj Sharma, Corporate Secretary and Assistant General Counsel of Governance. I'll appoint Mr. Sharma as Secretary of the meeting and Mr. Lannie as Parliamentarian for the meeting.

Mr. Lannie, was notice of the meeting duly and properly mailed and are the inspectors of election present?

P. Anthony Lannie - *Apache Corporation - EVP and General Counsel*

Yes, the proxy statement and notice of annual meeting were mailed to stockholders on March 28, 2017. We have an affidavit to that effect from Wells Fargo Bank and samples of the items mailed on display in the back. Also available for inspection is a certified list of the stockholders of record as of the close of business on the record date, March 13, 2017, which has been available at the company's headquarters for the past 10 days.

As of March 13, 2017, there were 380,434,058 shares of common stock outstanding and eligible to vote at this meeting. Of these shares, 348,241,401 are represented today either in person or by proxy, which constitutes approximately 91% of all outstanding shares, which is a very good turnout. A quorum is present and the meeting may proceed with business. Our meeting this morning will be conducted in accordance with the agenda and the rules of conduct of the stockholders meeting. Copies of both were available when you entered the room. Jennifer Leno, [Nora Doban] and Jay Schultz have been appointed as inspectors of election to receive the proxies, judge the qualifications of voters, prescribe rules for voting, collect and count the votes, report the results of the ballots and to perform any other duties that may be required.



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The minutes of the Annual Meeting of Stockholders held May 12, 2016, are available for inspection. Unless there is an objection, the reading of these minutes will be waived. The company did not receive timely notice of any other director nominations by a stockholder, as required under its bylaws. Therefore, the nominations are closed. The polls are now open. If you have already returned your proxy, a ballot vote is not necessary. If you wish to vote by ballot, you may obtain one from the inspectors of election.

John J. Christmann - Apache Corporation - CEO, President and Director

Items of business numbers 1 through 7 for this year's meeting are the election of directors. The directors elected at this meeting will serve for a period of 1 year starting today and ending on the date of the annual meeting in 2018. The nominees were introduced earlier and I hereby declare them duly nominated. The eighth item of business for this year's meeting is ratification of Ernst & Young LLP, as Apache's independent auditors for fiscal year 2017. This matter was fully described in the proxy statement provided to all stockholders.

The ninth item of business for this meeting is an advisory nonbinding vote to approve the compensation of Apache's named executive officers. This item was discussed in the proxy statement provided to all stockholders. The 10th and final item for business for this meeting is the advisory nonbinding vote on frequency of the advisory vote to approve the compensation of Apache's named executive officers. This matter was fully described in the proxy statement provided to all stockholders. If any stockholders are voting in person, I suggest that they complete the marking of their ballots. Will the inspectors of election, please collect all of the ballots at this time. The polls are now closed. Mr. Lannie, do you have the results?

P. Anthony Lannie - Apache Corporation - EVP and General Counsel

Yes, the inspectors of election have reported the following results. Each nominee for the office of director of the company has been elected by an average of approximately 98% of the shares present and voting; the ratification of Ernst & Young as Apache's independent auditors for fiscal year 2017 has been approved by approximately 99% of the shares present and voting; the compensation of Apache's named executive officers as disclosed in the proxy statement has been approved by approximately 95% of the shares present and voting; the frequency of annual, of once each year, for future voting on the compensation of Apache's named executive directors was chosen by approximately 93% of the shares present and voting.

John J. Christmann - Apache Corporation - CEO, President and Director

I hereby declare that the 7 nominees for director have been duly elected. The ratification of auditors has been approved. The compensation of Apache's named executive officers has been approved. And the future advisory vote on the compensation of Apache's named executive officers will be sought every year.

Now if there's no other business to come before the meeting, the formal meeting is adjourned and we will begin our presentation. Okay.

First of all, thank you all for coming out today, and thank you to everyone who's joined us via webcast. I have a lot to share. But first, I'd like to take a moment and introduce our leadership team who are with us here today. Steve Riney, CFO and Executive Vice President; Anthony Lannie, Executive Vice President and General Counsel; Gregg Olson, Executive Vice President Corporate Reservoir Engineering; Tim Sullivan, Executive Vice President, Operations Support; Tim Custer, Senior Vice President North America, Land, Government Affairs and Real Estate; Becky Hoyt, Senior Vice President, Chief Accounting Officer and Controller; Nick Ricotta, Senior Vice President of Human Resources; Jon Sauer, Senior Vice President of Tax; Mark Bright, Vice President, Planning and Risk Management; James Kimble, Vice President and Treasurer; Mark Maddox, Vice President of IT; Gary Clark, Vice President of Investor Relations; Castlen Kennedy, Vice President of Public Affairs; Obie O'Brien, Vice President of Governmental Affairs; Raj Sharma; Grady Ables, Senior Vice President, North Sea and Canada; Steve Keenan, Senior Vice President of our North American Unconventional Resources; Navneet Behl, he's our Vice President of North American Unconventional Resources; Faron Thibodeaux, Senior Vice President of the Permian Region; James Parr, Vice President of International New Ventures in Gulf of Mexico; Mike Thorson, Vice President of Gulf Coast; Lucian Wray, Vice President of Engineering Technical Services; Dave Gilbranson, Vice President of Marketing; Brian Freed, Senior Vice President of Midstream



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and Marketing; Bob Bourne, Vice President of Business Development, Midstream and Marketing. Both Brian and Bob have just joined us this month to lead our global midstream business, and we're very, very glad to have them on board.

I would also like to reduce my wife, Heather Christmann. She, like so many of the Apache families, provide so much support and understanding. I truly appreciate it. You're all part of a special team that have worked very hard to position the company where we are today. We've had some ups and downs over the past couple of years. It hasn't been an easy market, which is why we chose the theme for our annual meeting this year of Rising to the Challenge.

So before I begin, I have to put up here our obligatory cautionary language. You'll find it on our website. I would encourage you to read it, if you have not done so.

Our vision is to be the premier exploration and production company with global assets focused on North American growth. Our objective in 2017 is a transition to return to focused growth. As I reflect on the last 2 years, I see tremendous progress at Apache. And that's thanks to all of the employees and their support systems at home.

As oil prices plunged 2 years ago, we were faced with a major industry reset. At the time, we knew there were many things outside of our control. We focused our energies on the things that we could control and we evolved. Our goal was to emerge from the commodity price downturn with top-tier financial strength, a robust inventory of high rate of return drilling opportunities in North America and a sustained capacity to generate free cash flow from our international assets in Egypt and the U.K. North Sea.

We adapted to this changing commodity price environment by: one, strengthening our financial position; two, streamlining our portfolio and organizational structure; three, implementing cost-saving initiatives throughout the organization, and I thank everyone for being a big part of all of these; four, quickly reducing our activity levels.

We went from running close to 130 rigs, 93 in the fall of 2014. In North America, we got down to 4 rigs in the second quarter last year. A tremendous, tremendous effort.

We invested to improve our long-term returns, reset our cost structure and be able to create shareholder value in a sub-\$50 world. It's our adaptability that now gives us a competitive advantage and it has positioned us to deliver financially strong returns and be more efficient than our peers. Our balanced portfolio provides the flexibility to prioritize and focus on returns first and production growth second.

Our operational plan has built-in scalability that will allow us to quickly flex up and adjust up or down to align with conditions in the market. The result is that we have strategically repositioned our business. Our growth is now driven by organic exploration and production rather than the old "acquire and exploit" model. Free cash flow traditionally provided by conventional North American assets are now provided by high-margin, low decline international and North American unconventional assets.

We have transitioned our capital allocation process from a region-focus to a more integrated process that ranks projects and allocates capital across our whole global portfolio. We continue to create value through innovation and operational excellence.

To say 2016 was a great year is probably an understatement. We protected our balance sheet, remained focused on costs, allocated capital to our high-return projects and tested many, many strategic concepts.

We also decreased our LOE on a per BOE basis by 16% from 2015, which was down from 2014. We realized significant improvements in our Permian well performance, achieved our full year production targets, streamlined our portfolio to focus on North American growth and optimized and expanded our inventory of high-quality growth opportunities in the Permian Basin through our strategic testing and exploration, and we discovered the Alpine High.

Alpine High brings to us decades of inventory. It puts Apache in one of the most exciting and competitive positions in the industry. Since our announcement last September, we have continued testing and delineation. We continue to see strong results that reinforce our confidence in this



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world-class resource play. This is a multidimensional hydrocarbon system with 5 distinct formations, extending across a 60-mile fairway. We are confidently building a comprehensive, long-term full field development plan, and all of this is possible because of our people.

Our fire in the belly doesn't just let us meet a challenge, it lets us exceed our own high expectations. I'd like to take a moment to mention another significant milestone in 2016. We received the top distinct honor of being recognized as a top workplace in the city of Houston. It's an honor that we share with the entire company.

Looking to 2017. We will continue to budget conservatively, invest to sustain free cash flow from Egypt and the North Sea, increase investment in our Midland and Delaware basins and relentlessly focus on costs and well optimization, as well as actively manage our portfolio.

Apache today is a different company. We're capable of delivering highly-competitive per share growth rates and double-digit returns, while living within cash flow in a \$50 oil price world. Apache today is poised for profitable long-term growth. Our balanced portfolio is focused on North America, its Permian-driven production and cash flow growth. It's funded by world-class free cash flow generating assets in Egypt and the North Sea. We have a rigorous capital allocation process with very disciplined spending, and our investment decisions are based on fully-burdened, full cycle well economics.

Our Permian growth engine. We have high-graded plays with plenty of running room across all of North America, but particularly in the Permian Basin. We have worked hard to lower our cost structure to be profitable in a low-price environment. We're increasing activity in North America at a measured pace with a focus on generating strong fully-burdened returns and not losing what we've gained over the last 2 years.

Growth will follow in the second half of 2017. Despite industry cost pressures, we believe our 2017 North American operations will be more productive and capital efficient than in previous years.

Our growth in North America will be powered by our international assets. We are the #1 producer of oil in Egypt. We have 2 new concessions, first time since 2006, that increased our acreage by 40%. We are launching new 3D seismic surveys, which is the first high-resolution survey in the Western Desert in many, many years. These will provide better imaging of deeper targets.

In the North Sea, we have a backlog of discoveries to develop. We're currently developing Callater, which is on schedule for startup in the third quarter. We increased our capital budget to \$3.1 billion, which was a 60% increase compared to our budget in 2016. Our plan assumes a \$50 per barrel WTI, \$51 per barrel Brent, \$3.15 per Mcf for NYMEX natural gas and \$5.25 for our U.K. index gas. Two-thirds or \$2 billion will be allocated to the Permian Basin, where 95% will be directed to high-growth projects in the Midland and Delaware basins.

Specifically, 44% will be in the Delaware and Midland Basin drilling programs, 16% will go to the Alpine High midstream, 8% to our other North America and then 3% to our Central Basin Platform and other Permian inventory. Approximately 29% or \$900 million will be invested internationally, which is split fairly evenly between Egypt and the North Sea. And we have a small budget for other exploration and venture ideas in areas such as Suriname.

Today, we are poised for long-term growth. As I mentioned, in 2017, we will budget conservatively and maintain the flexibility to accelerate if activity is warranted. Going to continue to focus on costs and well optimization, to maintain the structural efficiencies we've achieved over the last 2 years; increase our capital programs in the Midland and Delaware basins, and initiate an optimized development program at Alpine High; and continue to invest in our international regions to sustain free cash flow -- the ability to generate it. And lastly, we'll continue to actively manage our portfolio and redeploy our capital through higher-margin opportunities across the portfolio.

We're off to a good start in 2017. During the first quarter, we returned to profitability on a reported and adjusted earnings basis. It was the fourth quarter in a row that our cash flow from operations exceeded our capital expenditures. This is a big deal. We're still making good progress on the cost side in the face of inflationary pressures.

We've increased activity in the Permian, and we plan now to run 15 rigs in 2017 on average, with a focus on our Midland and Delaware basin programs. First gas at Alpine High was brought on 2 months ahead of schedule and under budget, which enables us now to accelerate some of



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our 2018 midstream spend into 2017 without increasing our capital budget. And we're doing a good job sustaining the ability to generate free cash flow in our international assets where we have multiyear inventory of low risk opportunities.

As a result of our performance, we were able to raise our North American production guidance range to the range of 256,000 to 264,000 BOEs a day for the full year, and we're accelerating our program at Alpine High.

In closing, our overarching objective is to deliver long-term returns-focused growth. We've hit the ground running in 2017. We're delivering on the production, capital spending and LOE targets that we established earlier this year. We are pleased with the early startup of Alpine High and the progress on Callater. Our under-budget delivery of the midstream spend has been huge and it's let us raise our production guidance in North America. What it really boils down to is we are well on our way to realizing our vision to be the premier exploration and production company with global assets focused on North American growth.

Now I want to [trans] a part of the meeting, our annual employee awards. As you may recall, we launched our employee awards at our 2015 annual meeting, making this now our third year to honor some of our outstanding employees. We feel the annual meeting is the perfect place for the employee awards, as we attribute our success directly to the hard work and talents of our Apaches around the globe. Every Apache employee also is a shareholder. We have said it before, our greatest asset is our people. And while many companies may claim this, at Apache, we truly have a unique culture defined by characteristics such as a fire in the belly, fostering a contrarian spirit and aiming for excellence in all we do. These traits encourage an environment where employees are encouraged to not only think outside the box, but create a new paradigm for how our teams and culture work together, even if it means pushing back on years of conventional industry wisdom. I truly believe we can trace our success, even in how we navigated the recent downturn, directly back to Apache's employees and our very unique culture.

Today's awards are that culture in action. And the winners, examples of employees who live the culture and embrace our values. We will be presenting 3 awards today: the President's Award, the Diamond Award and the Heart of Apache award. I will present the first award, and will then invite 2 other Apaches to the stage to present the other 2 awards.

The President's Award is given to an outstanding employee who has demonstrated excellence through hard work, teamwork, character, innovation, leadership and results. This year's award is going to a tremendously-talented Apache employee, an employee who has personified our core values, demonstrated true leadership and created tremendous value for the corporation. He is an accomplished explorer, who has complemented his technical acumen with business know-how and strong leadership attributes. You need only spend a few hours around him to realize his passion for the business and that his team draws not only answers, but also inspiration from him. He trusts his people, their abilities and believes in developing and honing the skills of the next generation of oil and gas professionals to find and develop the next big play. His work ethic is exemplary, one which was likely developed at an early age while working in his father's welding shop in North Philadelphia. If you've ever worked with him, you know that he loves the element of surprise, but is incredibly organized and always prepared, even in the face of unexpected challenges. He likes to have always thought of everything, possibly a result of his many years of practicing martial arts. He has the ability to formulate a clear and logical plan and motivate his staff to perform at their very, very best. His team will tell you that he is quick to roll up his sleeves, literally, and get involved himself when needed, but he does not micromanage. He has an eye for talent and is happy to let it thrive. He is a big believer in the value of practice and repetition, ensuring that ideas are tested, supported and presented with confidence and polish and occasionally, in a baseball cap. His colleagues have commented on his ability to integrate all of the complex geological and geophysical criteria in identifying a big field opportunity. When he is convinced of a big play, he is thorough, decisive and aggressive. The Houston Chronicle recently profiled this Apache employee, recounting his many accomplishments and commenting on his mischievous grin. From the Chronicle, "Just as he completed his master in 1978, the oil and gas industry was expanding seismic testing to find new reservoirs. Over the next 3 decades, he worked from offshore California to Europe's stormy North Sea, earning a reputation as a maverick who ignored conventional wisdom, did his own research and found oil where no one thought it was. He helped identify billion barrel fields at Milne Point in Alaska and at Alba, off the coast of Scotland, as well as hundred million barrel fields in Neptune and Trident in the Gulf of Mexico." In addition, he played a key role in the discovery and understanding of the South Texas Eagle Ford. Here at Apache, he and his team have made a significant discovery at Alpine High. It's a field that will deliver incredible value to Apache and its shareholders for many, many years to come. The discovery was the result of years of hard work, extensive technical analysis and perhaps more than anything, a contrarian spirit. In his own words he has said, "If you want to find a new play, you're going to have to have a different idea and it's going to upset some people." Well, you certainly haven't upset me and hopefully with this award today, I have surprised you. Ladies and



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gentlemen, I'm pleased to announce my choice for this year's President's Award is our Senior Region Vice President of our North American Unconventional Resources team, Mr. Steve Keenan.

The next award is named for our 60th or diamond anniversary. The Diamond Award is a career-capping award for the person who has made significant contributions and commitment to the company through their long-term service. To present the Diamond Award, I'd like to invite Ian Close, Operations Support, Superintendent for our North Sea operations to the stage to make the presentation.

Ian Close

Good morning, ladies and gentlemen, fellow Apaches. My name's Ian Close from the Aberdeen office of Apache North Sea. I don't know too many of the faces around the room here in person, but I want you to know that this is a very great honor and privilege to be with you today and I want to thank everybody who's made that possible.

As John said, the Diamond Award is career recognition to somebody who's made an outstanding contribution and commitment to the company over an extended period.

I am absolutely thrilled, it's the pleasure of my life to introduce to you this morning a colleague of mine. I can sum him up as a thorough Highland gentlemen. Mr. Fergus Gregory. Fergus started out in life as a career soldier in the Scottish Guard, some of you will recognize the guys in the red coats, shiny boots outside Buckingham Palace, wearing big, furry bearskin hats. Believe me, they're also elite combat troops and Fergus, when he came out of the Army, continued his service for 16 years in the reserve forces. He joined the embryo oil and gas industry in Sullom Voe Terminal up in the Shetland Islands as a firefighter. Not long after, he moved down to the [Nix Terminal] on the mainland as a firefighter and then made a switch into process operations. In 1991, he made the move to offshore production on the Forties Delta platform. So although not becoming an Apache proper until the takeover of the Forties field in 2003, he's had 36 years of continuous service into the North Sea oil and gas industry. He quickly saw the arrival of an opportunity provided by -- sorry, saw the arrival of Apache in the North Sea as a huge opportunity and set about applying himself, energized by the company's sense of urgency and drive to succeed and take what had become a tired field with a demoralized workforce and turn it into the great success that it continues to be. This is a great team effort requiring massive investment and faith by the company. So what makes Fergus special? What makes him a true diamond? Well, you could say that he's hard and he's ancient, but there is a bit more to it than that. Although he progressed to the position of Offshore Installation Manager, it was recognized by those around him that his particular strength was not a single platform, but his passion for continuous improvement and shared learning. He has a great ability to set high standards and then encourage others around him to attain those standards. In other words, to bring out the very best in people, taking Forties' production efficiency from around about the 70% mark back in the early 2000s to regularly and reliably north of 90% today. That was a great effort by many, many people, but Fergus was the man who's job title was Operations Efficiency Manager. He was the guy tasked with inspiring and motivating the offshore teams across our assets to strive for and deliver operational excellence. Many of the processes we use daily in the North Sea region were developed by Fergus. Obsessive analysis of plant upset reports, both real and potential, to understand true root causes and to remediate them; creation of core training standards; engagement of the work force through individual training plans; and measurement -- objective measurement of skills and experience. The list goes on. Fergus also became recognized amongst his colleagues as the go-to man when a platform maintenance turnaround was going off the rails and needed to be [sent] back on course. Or the man who would help push projects from commissioning over the line to everyday, steady-state delivery. His current focus is on our [roofing] branch, reassessment of our operational integrity through using techniques of critical task analysis and human error analysis. In recent years, he's been victim to a debilitating and degenerative ailment, but he's always first to help others recovering from illness or injury to rehabilitate back into the work environment, either in the office or offshore. Despite the bad nights and bad days that he sometimes suffers, and we all know that he suffers them, I have never seen the fire in his belly diminish. I have never seen him put himself before his team. And I've never seen him do anything other than inspire through his leadership, commitment and drive to succeed. Fergus every day embodies the Apache core values and leadership attributes, and that is why I'm so proud to nominate him today as a true diamond. Fergus Gregory.



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John J. Christmann - Apache Corporation - CEO, President and Director

Lastly is the Heart of Apache award. This award goes to an Apache employee who epitomizes the best of human character and the best of the Apache culture. This year, we went directly to our nearly 4,000 global employees for our 2017 winner. Beginning in March, we made a call for nominations. There were many, many great names submitted by Apaches all over the world. A diverse committee representing various operating regions and corporate functions, as well varying tenure and levels across the company reviewed the submissions and made a final recommendation. I understand the choice was very difficult as there were many incredible nominations. They were submitted with a cast of employees going above and beyond to see the results that you've seen over the last several years.

I would now like to invite Faron Thibodeaux, our Senior Region Vice President for the Permian Region, to this stage to announce this year's winner.

Faron J. Thibodeaux - Apache Corporation - Senior Region VP of Permian Region

Thank you, John, and good morning, everyone. I have the distinct honor and privilege today to introduce to you your 2017 Heart of Apache award recipient. As John said, there were lots of people who definitely could achieve this award and deserve this award. But being known as a guy who appreciates the dedication of our field teams, I was pleased to see that we selected not only a true Apache at heart but one that will probably represent and share this award with every employee who had or have their careers in our always-demanding field locations. Think about this analogy. The heart is the organ of the body that never takes a day off and supplies us life. In our MOTO initiative, mindset of the owner, we teach that cash is the lifeblood of the company. Well, our Apaches working the drilling rigs are there every day, 24/7, delivering wells that will deliver cash to our company's balance sheet. The guardians of our steel production, they'll never allow their production to stay shut-in when trips occur. Through the downturn of the past few years, our field people truly represented our heart and made us the healthy company we are today. So it makes good sense to me that our Heart of Apache award recipient this year would come from the field.

Let me tell you a little bit about this person. He hired on with Apache 20 years ago, holding various positions from pumper to foreman, and is now one of our Permian Region's district managers. In the words of his supervisor, Region Operations Manager, Clint Mills, who couldn't be here today, "This individual embodies what it means to be -- to believe Apache. He is proud of his company, and will have words with anyone who would seek to talk negatively about Apache or its people. The level of passion that he has for his work and company comes out in every meeting and discussion. He is fiercely loyal to his people and is one of the best developers of talent that I have had the pleasure of working with." Clint continues, "To elaborate more on his view of his employees and the workplace, we need to talk about his safety leadership. Safety is not negotiable anywhere in the Permian Basin, but none more so than in his Northwest District. In our region, we reward each foreman area a Triple 0 award if during the calendar year they can finish the year with 0 employee injuries, 0 contract or loss time incidents and 0 at fault vehicular incidents. That's a challenge for each foreman area to achieve. However, his entire district, 6 foreman areas, 80 employees and many, many service providers that come in and out of his workplace, came within 3 days of a complete district triple 0. And it only was stopped by a massive snowstorm in Southeast New Mexico that was just a challenge that we couldn't get over the hurdle. So if that doesn't tell you that his safety leadership is just relentless and he walks the walk -- I tell you, he does it every single day. Now we have further evidence that he gives his heart to Apache and his employees. But just recently, we received an unsolicited comment from the CEO of one of our service providers who covers his district." He said, "Apache is my favorite company to work for because I know that the safety of my people is a top priority for them. My people feel empowered and are encouraged by Apache to speak up if they see a problem without fear of losing the work. My staff loves Apache." So that's the competitive advantage. That's the premier part of our company is when companies and service providers want to come work for us. And they want to come work for us because they know their people will be safe. Can't say enough about his safety leadership. Now, Max Easley, our Director of Operations says the following about the recipient. "He has a deep sense of chronic unease when it comes to safety in the workplace. He is determined to never overlook opportunities to not only create a safer but a more efficient workplace for his people. He truly represents the best things in all Apache."

Now his wife, Andrea, is here with him today. So I want to use this stage to personally and publicly thank her for her 20 years of support to Apache and her husband. I know she represents all the spouses and the significant others whose positive influence is critical to their Apache's success on the job. Because when their Apaches leave their house in the morning to start their shift or they go out late at night to bring production back on, the demands and the hazards of the workplace requires them to be both mentally and physically prepared so that they can ensure that they and their teams come home safe. Thank you, Andrea, and I want to thank all those supporting our Apaches in the field.



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In closing, and I again will quote Clint, "He is a humble leader, yet firm in his conviction. He would take the time to listen to anyone and offer his guidance and coaching to anyone he believes he can help. He shies away from the limelight and would rather give praise to others than receive it. I'm confident he will humbly share this award with his people. To me, he embodies what it means to be an Apache and Apache leader." Ladies and gentlemen, I present to you our 2017 Heart of Apache award recipient, Mr. Travis Carnes.

John J. Christmann - Apache Corporation - CEO, President and Director

One final comment on Travis. His father was a long-time Apache employee, so he grew up in a household of working for Apache and he's obviously taken it to a whole other level. So congratulations. Congratulations to all our award winners. This officially concludes our program. Thank you to all the Apaches across the globe. We're off to a good start and we've got a lot of work to do. So thank you very much.

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